

A REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO BURMA

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT ON DEVELOPMENTS CONCERNING THE NATIONAL
EMERGENCY WITH RESPECT TO BURMA THAT WAS DECLARED
IN EXECUTIVE ORDER 13047 OF MAY 20, 1997, PURSUANT TO
50 U.S.C. 1703(c)



MAY 15, 2001.—Message and accompanying papers referred to the
Committee on International Relations and ordered to be printed

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To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Burma that was declared in Executive Order 13047 of May 20, 1997.

GEORGE W. BUSH.

THE WHITE HOUSE, *May 15, 2001*.

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH
RESPECT TO BURMA

I hereby report to the Congress on developments over the course of the past six months concerning the national emergency with respect to Burma that was declared in Executive Order No. 13047 of May 20, 1997, pursuant to section 570 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act (the "Act") and the International Emergency Economic Powers Act ("IEEPA"). This report is submitted pursuant to section 204(c) of IEEPA, 50 U.S.C. 1703(c) and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c). This report discusses only matters concerning the national emergency with respect to Burma that was declared in Executive Order No. 13047.

1. Since the issuance of Executive Order No. 13047, the Department of Treasury's Office of Foreign Assets Control ("OFAC") has administered the Burmese sanctions. OFAC continues to disseminate details of this program to the financial, securities, and international trade communities by both electronic and conventional media, as well as to the U.S. Embassy in Rangoon for distribution to U.S. companies operating in Burma. In the six-month period since November 20, 2000, OFAC has issued no specific licenses authorizing transactions otherwise prohibited by the Regulations, and has neither assessed nor collected any civil monetary penalty for violations of the Regulations.

2. The expenses incurred by the Federal Government in the six-month period from November 20, 2000 that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Burma are estimated at approximately \$11,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of East Asian and Pacific Affairs, and the Office of the Legal Adviser).

3. The situation reviewed above continues to present an extraordinary and unusual threat to the national security and foreign policy of the United States. The declaration of the national emergency with respect to Burma contained in Executive Order 13047 in response to the large-scale repression of the democratic opposition by the Government of Burma since September 30, 1996, reflected the belief that it is in the national security and foreign policy interests of the United States to seek an end to abuses of human rights in Burma, to support efforts to achieve democratic reform which would promote regional peace and stability, and to urge effective counter-narcotics policies.

In the past six months, the State Peace and Development Council ("SPDC") has shown no sign of willingness to cede its hold on absolute power. Although the Burmese Government in late 2000 entered into dialogue with Aung San Suu Kyi, the leader of Burma's democratic opposition, the ruling junta continues to refuse to recognize the results of the free and fair 1990 elections in which the National League for Democracy won a vast majority of the popular vote and parliamentary seats. The regime still holds more than 1,500 political prisoners, and its well documented human rights abuses, particularly against ethnic minorities, continue unabated. Burma has taken limited, but insufficient, steps to counter narcotics production and trafficking.

In an unprecedented decision, effective November 30, 2000, the International Labor Organization (ILO) recommended that its members and other international organizations review their ties with the Burmese regime and take appropriate measures if those ties in any way abet the system of forced or compulsory labor in Burma. The action was called for by the International Labor Conference in June 2000 and was prompted by the failure of the Burmese regime to take action on the recommendations of an ILO "Commission of Inquiry" which found forced labor in Burma to be "widespread and systematic." This was the most significant international action to have been taken against Burma by an international organization in many years.

The net effect of U.S. and international measures to pressure the SPDC to end its repression and move toward democratic government has been a further decline in investor confidence in Burma and deeper stagnation of the Burmese economy. Observers agree that the Burmese economy appears to be further weakening and that the government has a serious shortage of foreign exchange reserves with which to pay for imports. While Burma's economic crisis is largely a result of the SPDC's own heavy-handed mismanagement, the SPDC is unlikely to find a way out of the crisis unless political developments permit an easing of international pressure. I shall continue to exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.